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Michigan's December Jobless Rate Up Slightly

Payroll Jobs Up for Eighth Consecutive Year

Lansing – According to data released today by the Michigan Department of Technology, Management & Budget (DTMB), Michigan's seasonally adjusted unemployment rate for December increased by a tenth of a percentage point over the month, to 4.0 percent. Total employment edged up by 1,000 while the number of unemployed rose by 4,000, resulting in a monthly labor force gain of 5,000.

The Michigan jobless rate in December was seven-tenths of a percentage point below the December 2017 rate of 4.7 percent. The U.S jobless rate declined by two-tenths of a percentage point during the same period. Michigan's December jobless rate was one-tenth above the national rate of 3.9 percent.

"Michigan's labor market showed continued improvement in 2018," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives, "The state's jobless rate fell for the ninth consecutive year while payroll jobs rose for the eighth straight year."

Monthly Labor Force Trends and Highlights

- Michigan's December total employment level of 4,702,000 was the highest total in nearly eleven years, last exceeded in January 2007.
- December marked the second month in a row that total unemployment increased. However, the total has declined by 35,000, or approximately 15 percent, since December 2017.
- For the second consecutive month, Michigan's workforce grew. The state's labor force edged up by 6,000 since October.
- From the third quarter to the fourth quarter of 2018, the state's unemployment rate receded by two-tenths of a percentage point to 3.9 percent. This was the lowest Michigan quarterly unemployment rate since the third quarter of 2000. (However, the quarterly employment level at that time was about 257,000 larger than it is today).
- In the fourth quarter of 2018, Michigan employment edged up by 4,000 while total unemployment dropped by 9,000.

MICHIGAN Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

	December	November	December		
	2017	2018	2018	Change	
				Month	Year
Civilian Labor Force	4,900	4,893	4,898	5	-2
Employment	4,669	4,701	4,702	1	33
Unemployment	231	192	196	4	-35
Rate (Percent)	4.7	3.9	4.0	XXX	XXX

Michigan's 2018 Preliminary Annual Average Labor Force Data

Michigan's preliminary annual average unemployment rate in 2018 was 4.2 percent, a rate three-tenths of a percentage point higher than the national annual rate of 3.9 percent. Total employment in Michigan averaged 4,691,000 in 2018, while the number of unemployed in the state averaged 207,000. The state's annual workforce level was 4,898,000.

Annual Average Trends and Highlights

- Michigan's preliminary 2018 annual average jobless rate of 4.2 percent edged down by four-tenths of a percentage point from the 2017 annual rate of 4.6 percent.
- 2018 marked the ninth consecutive year of annual unemployment rate reductions in Michigan. The state's rate fell by 9.5 percentage points since the height of the recession in 2009, which recorded an average annual rate of 13.7 percent.
- The Michigan annual jobless rate was the lowest since 2000 (3.6 percent).
- In 2018, the number of unemployed in Michigan declined by 20,000, or 8.7 percent. The national level of total unemployment fell by approximately 9.6 percent over this period.
- Total employment on an average annual basis rose by 34,000, or 0.7 percent, a gain less than half of the national increase of 1.6 percent during the same period.
- The state's labor force edged up by 14,000 between annual 2017 and annual 2018, an advance of 0.3 percent. Since 2013, the state's workforce has expanded by 174,000, or 3.7 percent.

Detroit MSA December Jobless Rate Edges Up, Annual Rate Down

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in December edged up by a tenth of a percentage point over the month, to 4.1 percent. Detroit's labor force rose by 4,000 due to equal advances in the number of employed and unemployed. December 2018 marked the fourth consecutive month of total employment gains in the region and the second straight month of unemployment additions. The region's current employment level of 2,032,000 is its highest level since June of 2006.

Since December 2017, the Detroit metro area's jobless rate fell by three-tenths of a percentage point. The region's labor force receded by 1,000 over the year, due to a total employment increase of 6,000 and an unemployment drop of 7,000.

Detroit-Warren-Dearborn MSA Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

	December	November	December		
	2017	2018	2018	Change	
				Month	Year
Civilian Labor Force	2,120	2,115	2,119	4	-1
Employment	2,026	2,030	2,032	2	6
Unemployment	94	85	87	2	-7
Rate (Percent)	4.4	4.0	4.1	XXX	XXX

Detroit MSA 2018 Preliminary Annual Average Labor Force Trends and Highlights

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) preliminary annual average unemployment rate in 2018 was 4.2 percent, two-tenths of a percentage point below the annual 2017 rate of 4.4 percent. Similar to the statewide trend, this marked the ninth consecutive year where the annual rate declined. The metro area jobless rate in 2018 matched the statewide rate. 2018 logged the lowest Detroit MSA annual jobless rate since the 2000 rate of 3.4 percent. From annual 2017 to annual 2018, total average employment in the Detroit region expanded by 8,000, or 0.4 percent. Total unemployment dropped by 4,000, or 4.5 percent. The result was a regional workforce 4,000 larger than its 2017 annual level.

December Payroll Jobs Up, Annual Jobs Advance for Eighth Consecutive Year

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in December by 8,000 to 4,450,000. Most major industry sectors either recorded job gains or were stable. The only industry movements of note occurred in *Construction*, which expanded by 3,000 jobs, and *Education and health services*, which increased by 2,000 in December.

Industry Employment Trends and Highlights

- In 2018, Michigan payroll jobs advanced in nine of the twelve months.
- 2018 marked the eighth consecutive year of payroll job gains. Preliminary data indicates that job totals rose by 57,000, or 1.3 percent during 2018. This advancement was similar to last year's annual addition of 1.2 percent.
- For the third consecutive month, *Trade, transportation, and utilities* added jobs, rising by 1,000 in December.
- Michigan's *Health care and social assistance* sector reached a record high job level in December of 607,000.
- The *Retail trade* sector in 2018 cut jobs over the year, down by 3,000 since December 2017, or 0.7 percent.
- The largest over-the-year percentage job gains were seen in the *Construction*, *Financial activities*, and *Professional and business services* sectors.
- Seasonally adjusted average weekly earnings of production workers in
 Manufacturing rose over the year by 2.1 percent. However, average weekly hours of
 Manufacturing production workers edged down by 0.8 percent since December
 2017.

MICHIGAN Payroll Employment Estimates

Seasonally Adjusted (Data in Thousands)

	<u>December</u> <u>November*</u>		December**	CHANGE***	
	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,395	4,442	4,450	8	55
Natural Resources & Mining	7	7	7	0	0
Construction	168	177	179	3	12
Manufacturing	618	624	625	1	8
Transportation Equipment	186	192	192	0	5
Trade, Transportation & Utilities	788	791	793	1	4
Retail Trade	472	470	469	-1	-3
Information	56	56	56	0	-1
Financial Activities	219	223	223	0	5
Professional & Business Services	650	659	660	1	10
Education & Health Services	672	678	680	2	8
Leisure & Hospitality Services	438	444	443	-1	6
Other Services	170	172	172	0	2
Government	610	613	612	-1	2

^{*} Final data for November 2018

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>December</u>	November	December	CHANGE				
	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>MONTH</u>	YEAR			
Average Weekly Earnings	\$899.60	\$921.23	\$918.86	-\$2.37	\$19.26			
Average Weekly Hours	43.2	43.0	42.8	-0.2	-0.4			
Transportation Equipment								
Average Weekly Earnings Average Weekly Hours	\$1,103.61 47.2	\$1,215.15 48.2	\$1,175.68 47.0	-\$39.47 -1.2	\$72.07 -0.2			

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^{**} Preliminary data for December 2018

^{***} Change calculated using unrounded data